

SAM—STANDARD ENTRIES

CHAPTER 10600 INDEX

Entry #A-1	GENERAL CASH IS ADJUSTED FOR UNDEPOSITED RECEIPTS	10600
Entry #A-2	REVOLVING FUND CASH IS ADJUSTED TO ITS ACTUAL CASH BALANCE	10601
Entry #A-3	ACCOUNTS RECEIVABLE ABATEMENTS AND REIMBURSEMENTS	10602
Entry #A-4	ACCOUNTS RECEIVABLE ABATEMENTS AND REIMBURSEMENTS AND CERTAIN COLLECTIONS ARE ADJUSTED WHEN AN APPROPRIATION REVERTS	10603
Entry #A-5	ACCOUNTS RECEIVABLE REVENUE ARE ACCURED FOR INTEREST EARNINGS ON INVESTMENTS	10604
Entry #A-6	RECEIVABLES DUE FROM SURPLUS MONEY INVESTMENT FUND AND CONDEMNATION DEPOSITS FUND ARE ACCURED FOR INTEREST EARNINGS	10605
Entry #A-7	CAPITAL ASSET ACCOUNTS ARE ADJUSTED FOR UNSOLD SURVEYED EQUIPMENT	10606
Entry #A-7r	ENTRY A-7 IS SEMI-REVERSED	10607
Entry #A-8	ACCOUNTS PAYABLE ARE ACCURED	10608
Entry #A-8r	ENTRY A-8 IS SEMI-REVERSED	10609
Entry #A-9	REVENUE IS ACCRUED	10610
Entry #A-9r	ENTRY A-9 IS SEMI-REVERSED	10611
Entry #A-10	REVENUE IS ADJUSTED FOR DISHONORED CHECKS	10612
Entry #A-11	REVENUE IS ADJUSTED FOR CASH SHORTAGES	10613
Entry #A-12	APPROPRIATION EXPENDITURES AND REIMBURSEMENTS ARE ADJUSTED FOR BILLED RECEIVABLES THAT ARE DEFERRED	10614
Entry #A-13	CASH IN STATE TREASURY IS TRANSFERRED TO FUND BALANCE-CLEARING ACCOUNT (FOR FUNDS NOT ACCOUNTED ENTIRELY BY ONE AGENCY)	10615
Entry #C-1	REVENUE AND REIMBURSEMENTS ACCOUNTS ARE CLOSED	10650
Entry #C-2	APPROPRIATION EXPENDITURES ACCOUNTS ARE CLOSED	10651

SAM—STANDARD ENTRIES

ENTRY NO. A–L

10600

(Revised 5/95)

Nature of Transaction:

The General Cash account is adjusted for undeposited receipts as of June 30 so that the agency accounts will show the actual amount of general cash in agency accounts with the State Treasurer as of that date. (This entry is made as of June 30 and reversed as of July 1.)

Journal Entry for General Ledger Accounts:

Debit:

1190 Cash on Hand

Credit:

1110 General Cash

Source:

Analysis of General Cash Receipts Register at June 30.

Explanation:

During the fiscal year Account No. 1110, General Cash, shows all cash receipts deposited and to be deposited in the General Cash account. This adjusting entry is made in the General Ledger as of June 30 each year to reduce, for year-end statement purposes, the balance of the General Cash account to the cash (including deposits in transit) in the agency account with the State Treasurer.

The General Cash Receipts Register will be analyzed to determine the amount of general cash received by June 30 but not deposited as of that date.

ENTRY NO. A–2

10601

(Revised 5/95)

Nature of Transaction:

The Revolving Fund Cash account is adjusted as of June 30 for unreimbursed expenditures therefrom and undeposited receipts and undeposited warrants for reimbursement of the revolving fund, so that the agency accounts will show the actual amount of revolving fund cash in agency accounts with the State Treasurer at that date. (This entry is made as of June 30 and reversed as of July 1.)

(Continued)

SAM—STANDARD ENTRIES

(Continued)

ENTRY NO. A-2

(Revised 5/95)

10601 (Cont. 1)

Journal Entry for General Ledger Accounts:

Debit:

1190	Cash on Hand	a/
1319	Accounts Receivable—Other	b/
1710	Expense Advances	c/
2600	Other Deferred Charges	d/
3010	Accounts Payable	e/
3020	Claims Filed	f/

Credit:

1130	Revolving Fund Cash	g/
3010	Accounts Payable	h/

- a/ Amount of cash in subrevolving funds, undeposited cash receipts, and undeposited warrants for reimbursement of revolving fund. Undeposited warrants include warrants dated on or before June 30 but not received or deposited until July.
- b/ Amount advanced to other funds by revolving fund.
- c/ Amount advanced to employees for travel and salary expenses.
- d/ Revolving fund expenditures not scheduled for reimbursement by June 30 resulting from payment of deferred charges chargeable to the new fiscal year. Payments made for deferred charges should only be made after the Budget Act for the subsequent fiscal year is enacted.
- e/ Revolving fund expenditures not scheduled for reimbursement by June 30 but applicable to an appropriation then current.
- f/ Claims filed on or before June 30 to reimburse the revolving fund but not paid by that date.
- g/ Amount required to reduce the revolving fund account to the cash it contains.
- h/ Amount payable to other funds for revolving funds advanced.

Source:

Analysis and Reconciliation of Revolving Fund Accountability as of June 30. For preparation instructions see SAM Section 7965.

Explanation:

During the fiscal year Account No. 1130, Revolving Fund Cash, is accounted on an imprest basis. To the extent that such revolving fund accounts consist of items other than cash, the procedure has the effect of overstating cash in the agency's statements. Adjusting entries must therefore be made in the General Ledger as of June 30 each year to the accounts of each fund affected to reduce, for year-end statement purposes, the balance of the Revolving Fund Cash account to the cash in the agency account with the State Treasurer.

SAM—STANDARD ENTRIES

ENTRY NO. A-3

10602

(Revised 2/99)

Nature of Transaction:

Accounts receivable abatements, reimbursements, and revenue are recorded for the fiscal year just ended. This entry is dated and posted as of June 30.

Journal Entry for General Ledger Accounts:

Debit:

1311	Accounts Receivable—Abatements	a/
1312	Accounts Receivable—Reimbursements	b/
1313	Accounts Receivable—Revenue	c/
1410	Due From Other Funds	d/
1420	Due From Other Appropriations	e/
1510	Due From Federal Government	f/
1540	Due From School Districts	g/
1590	Due From Other Governmental Entities	h/

Credit:

1600	Provision for Deferred Receivables*	i/
8100	Reimbursements	j/
9000	Appropriation Expenditures	k/

*NOTE: Those revenue receivables accrued in this entry and deemed to be collectable during the ensuing fiscal year will be included in the A-9, revenue accrual, entry. See SAM Section 10610.

- a/ Amount of abatement receivables due from private entities at June 30 that were not billed or recorded prior to July 1 that are deemed to be collectable during the ensuing fiscal year.
- b/ Amount of reimbursement receivables due from private entities at June 30 that were not billed or recorded prior to July 1 that are deemed to be collectable during the ensuing fiscal year.
- c/ Amount of revenue receivables due from private entities at June 30 that were not billed or recorded prior to July 1.
- d/ Amount of abatement, reimbursement, and revenue receivables due from other funds at June 30 that were not billed or recorded prior to July 1. The abatement and reimbursement receivables are deemed to be collectable during the ensuing fiscal year.
- e/ Amount of abatement, reimbursement, and revenue receivables due from other appropriations within the same fund at June 30 that were not billed or recorded prior to July 1. The abatement and reimbursement receivables are deemed to be collectable during the ensuing fiscal year.
- f/ Amount of abatement and revenue receivables due from the federal government at June 30 that were not billed or recorded prior to July 1. The abatement receivables are deemed to be collectable during the ensuing fiscal year.

(Continued)

SAM—STANDARD ENTRIES

(Continued)

ENTRY NO. A-3

10602 (Cont. 1)

(Revised 2/99)

- g/ Amount of abatement, reimbursement, and revenue receivables due from school districts at June 30 that were not billed or recorded prior to July 1. The abatement and reimbursement receivables are deemed to be collectable during the ensuing fiscal year.
- h/ Amount of abatement, reimbursement, and revenue receivables due from other governmental entities at June 30 that were not billed or recorded prior to July 1. The abatement and reimbursement receivables are deemed to be collectable during the ensuing fiscal year.
- i/ Total amount of revenue receivables in a through h.
- j/ Total amount of reimbursement receivables in a through h, excluding f.
- k/ Total amount of abatement receivables in a through h.

Source:

Detail list of all abatement, reimbursement and revenue receivables at June 30 as estimated or not billed prior to actually closing the books. The list should contain name and address, invoice or encumbrance number, or other reference, date, and amount.

Explanation:

This entry is made to accrue the receivables that had not been otherwise recorded on June 30. The list supporting this entry will contain adequate references and will be retained by the agency for audit purposes.

The abatement and reimbursement amounts accrued in this entry will be posted to the applicable Allotment-Expenditure Ledger accounts.

Also see SAM Section 10506.

SAM—STANDARD ENTRIES

This page intentionally left blank.

SAM—STANDARD ENTRIES

ENTRY NO. A-4 (Renumbered 5/95)

10603

Nature of Transaction:

Accounts receivable and certain collections are adjusted for the following when an appropriation reverts:

1. Abatements and reimbursements not collected before revision, and
2. Amounts collected before reversion but credited by the State Treasury after reversion.

(This entry is made as a transaction of the month indicated by the date of the Controller's Journal Entry reverting the appropriation.)

Journal Entry for General Ledger Account:

Debit:

1319	Accounts Receivable—Other	a/
9893	Prior Year Appropriation Adjustments	b/

Credit:

1311	Accounts Receivable—Abatements	c/
1312	Accounts Receivable—Reimbursements	d/
1600	Provision for Deferred Receivables	e/
9891	Refunds to Reverted Appropriations	f/

a/ c + d

b/ e + f

c/ Amount of abatements not collected before reversion. (Includes both accrued and reserved receivables.)

d/ Amount of reimbursements not collected before reversion. (Includes both accrued and reserved receivables.)

e/ The amount of accrued abatements or reimbursements not collected before reversion.

f/ Amount collected prior to reversion but not ordered into the State Treasury until after reversion.

Source:

Analysis of accounts receivable and recent collections applicable to reverted appropriations.

Explanation:

Abatement and reimbursement receivables are no longer such after the appropriation reverts. Therefore, at the time the appropriation reverts (usually as of June 30) the agency must reclassify the receivables.

Abatement and reimbursement collections ordered into the State Treasury after the appropriation reverts will be credited to a Refunds to Reverted Appropriations account by the State Controller's Office.

SAM—STANDARD ENTRIES

ENTRY NO. A-5
(Renumbered 5/95)

10604

Nature of Transaction:

Accounts receivable for interest earnings on investments are accrued as of June 30 with appropriate adjustment of accrued interest purchased, premium, and discount accounts. This entry is dated and posted as of June 30.

Journal Entry for General Ledger Account:

Debit:

1313	Accounts Receivable—Revenue	a/
2014	Discount on Securities	b/

Credit:

1320	Accrued Interest Receivable	c/
2013	Premium on Securities	d/
8000	Revenue	e/

- a/ Amount of interest accrued since the last interest date.
- b/ Amount of discount accumulation since the last interest date.
- c/ Amount of accrued interest not yet collected.
- d/ Amount of premium amortization since the last interest date.
- e/ Amount of interest earned.

Source:

Document—Controller's Journal Entry.

Explanation:

The State Controller's Office will accrue interest earned but not yet received at June 30 and will send the agency a copy of its Journal Entry showing all amounts to be included in this entry.

SAM—STANDARD ENTRIES

ENTRY NO. A-6

10605

(Revised 6/04)

Nature of Transaction:

Receivables due from the Surplus Money Investment Fund and the Condemnation Deposits Fund are accrued for interest earnings as of June 30.

Journal Entry for General Ledger Account:

Debit:

1410.0681 Due from Surplus Money Investment Fund
1410.0910 Due from Condemnation Deposits Fund

Credit:

8000 Revenue

Source:

The SCO's View Direct on-line system allows agencies to view the interest earned as of June 30 and transferred in July.

Document—Controller's Notice of Transfer issued in July.

Explanation:

The quarterly transfer of interest earned on money in the Surplus Money Investment Fund and the Condemnation Deposits Fund must be recorded as an accrual as of June 3.

SAM—STANDARD ENTRIES

ENTRY NO. A-7 [CAPITAL ASSET ACCOUNTS ARE ADJUSTED FOR UNSOLD SURVEYED EQUIPMENT]

10606

(Revised 09/10)

Nature of Transaction:

Capital asset accounts are adjusted for unsold surveyed equipment and its estimated sales value is recorded to give effect to such uncompleted equipment transactions in final year-end statements and reports of funds where receipts of such transactions are abated to an appropriation specific in amount. This entry is made as of June 30 and is semi-reversed as of July 1. (See Entry No. A-7R.)

Journal Entry for General Ledger Account:

Debit:

2740	Inventory of Surveyed Equipment	a/
5200	Investment in Capital Assets	b/

Credit:

2310	Land	b/
2321	Buildings	b/
2331	Improvements Other than Buildings	b/
2333	Utility Plant in Service	b/
2341	Equipment	b/
2361	Infrastructure-Non-depreciable	b/
2362	Infrastructure-Depreciable	b/
2411	Computer Software—Amortizable	b/
2412	Land Use Rights—Amortizable	b/
2413	Patents, Copyrights, Trademarks—Amortizable	b/
2414	Other Intangible Assets—Amortizable	b/
2422	Land Use Rights—Non-Amortizable	b/
2423	Patents, Copyrights, Trademarks—Non-Amortizable	b/
2424	Other Intangible Assets—Non-Amortizable	b/
9000	Appropriation Expenditures	a/

a/ Estimated amount to be received from sale of surveyed capital asset that was budgeted to be traded-in.

b/ Book value of above capital asset.

Source:

Detailed list of items supporting this entry. This list will be retained by the agency as an accounting document for audit purposes.

Explanation:

This entry is made only for those capital assets that were budgeted to be traded-in during the fiscal year and have been surveyed but are still on hand pending sale in lieu of trade-in. The purpose of this entry is to accrue the estimated sales value of surveyed capital assets as an abatement to the appropriation expenditure account of the fiscal year just ended and to write-off from the capital asset accounts.

SAM—STANDARD ENTRIES

ENTRY NO. A-7R (Renumbered 5/95)

10607

Nature of Transaction:

Entry No. A-7 is semi-reversed as of July 1.

Journal Entry for General Ledger Account:

Debit:

2341	Equipment	a/
9893	Prior Year Appropriation Adjustments	b/

Credit:

2740	Inventory of Surveyed Equipment	b/
5200	Investment in General Fixed Assets	a/

a/ Book value of surveyed equipment.

b/ Estimated amount to be received from sale of surveyed equipment.

Source:

Entry No. A-7.

Explanation:

Entry No. A-7 is semi-reversed as of July 1, in the accounts of the new fiscal year, so that when the transaction is completed in the new fiscal year it may be processed normally.

SAM—STANDARD ENTRIES

ENTRY NO. A-8

10608

(Revised 12/07)

Nature of Transaction:

The A-8 entry accrues expenditures for valid encumbrances (commitments) and obligations for the fiscal year just ended. This entry is dated and posted as of June 30.

Journal Entry for General Ledger Account (GLA):

Debit:

5350	Reserve for Encumbrances	a/
9000	Appropriation Expenditures	b/
9893	Prior Year Appropriations Adjustments	c/

Credit:

3010	Accounts Payable	d/
3114	Due to Other Funds	e/
3115	Due to Other Appropriations, Within the Same Fund	f/
3210	Due to Federal Government	g/
3220	Due to Local Government	h/
3290	Due to Other Governmental Entities	i/
6150	Encumbrances	a/

a/ Balance of Accounts No. 5350 and 6150 as of June 30.

b/ Amount of valid encumbrances and obligations as of June 30 payable from appropriations available for encumbrance during the fiscal year just ended.

c/ Amount of valid encumbrances and obligations as of June 30 payable from prior year appropriations not available for encumbrance during the fiscal year just ended.

d/ Amount of obligations in b and c due to private entities and the total encumbrances in b and c.

e/ Amount of obligations in b and c due to other funds.

f/ Amount of obligations in b and c due to other appropriations, within the same fund

g/ Amount of obligations in b and c due to the federal government.

h/ Amount of obligations in b and c due to local governments.

i/ Amount of obligations in b and c due to other governmental entities.

In addition, if any encumbrances will be funded by a reimbursement, the reimbursement may be accrued in one asset account, Accounts Receivable – Reimbursements, GLA 1312. (See SAM Section 7952.)

(Continued)

SAM—STANDARD ENTRIES

(Continued)

ENTRY NO. A-8

10608 (CONT. 1)

(Revised 12/07)

Source:

Encumbrance documents (e.g., contracts, purchase orders, purchase estimates, Public Works Project Authorization and Transfer Requests, etc.)

Explanation:

This entry is made to accrue the amounts for (1) valid encumbrances (goods/services not received/performed as of June 30), and (2) obligations (goods/services received/performed as of June 30 but not yet scheduled for payment).

To determine the amounts for valid encumbrances and obligations, all unliquidated encumbrances are reviewed to identify whether they are valid encumbrances or obligations of the year just ended, as defined by the Victim Compensation and Government Claims Board Rule 610 and described in SAM Section 8340.

Contracts and purchase orders will be analyzed to determine that the amounts approximate the actual expenditures that will be incurred. Amounts will be adjusted at this time if appropriate, e.g., purchase estimates adjusted to amounts of related purchase orders, contract balances liquidated when final payment has been made on a contract, etc.

For multi-year agreements, departments must determine by June 30 the amount to encumber against the first fiscal year, in accordance with the budget plan when the agreement was issued. Any amounts not encumbered and not accrued to an appropriation during the period of encumbrance availability shall be paid from an appropriation that is available for encumbrance.

Many support and local assistance encumbrances remaining at year-end should be liquidated within a few months of the new fiscal year. Capital outlay encumbrances generally require more time to liquidate. Departments are instructed to closely monitor encumbrances to effect prompt delivery of requested goods or services and to ensure timely disencumbrances in instances where it is determined the goods or services will not be received/performed or will cost less than originally estimated.

Even though the unencumbered balance is not formally reverted in the appropriation accounts of the State Controller's Office, the remaining two years prior to actual reversion are strictly for the liquidation of encumbrances accrued as of the last date the appropriation was available for encumbrance and the payment of obligations, which are chargeable only to a prior year appropriation.

Any obligations that were not previously encumbered will be accrued. Any obligations of prior fiscal year appropriations that have not yet reverted will be accrued to the applicable fiscal year. In addition, any obligations of reverted appropriations will be accrued to a like appropriation of the fiscal year just ended. These procedures permit all valid obligations of state funds to be reflected in year-end financial statements.

Once the encumbrances and obligations have been determined, these amounts are recorded as (1) expenditures in the applicable appropriation accounts and (2) liabilities in the accounts which identify to whom the amount is due (as detailed in the above journal entry).

Accrual entry amounts will, at a minimum, be supported by the following: vendor name, document number or other reference (contract number, purchase order number, etc.), and entry date. Departments must retain supporting documentation and reports for audit purposes.

SAM—STANDARD ENTRIES

ENTRY NO. A-8R (Revised 10/99)

10609

Nature of Transaction:

Entry No. A-8 is semi-reversed as of July 1.

Journal Entry for General Ledger Accounts:

Debit:

3010	Accounts Payable	a/
6150	Encumbrances	b/

Credit:

5350	Reserve for Encumbrances	b/
9000	Appropriation Expenditures	c/
9893	Prior Year Appropriation Adjustments	d/

- a/ Amount credited to Accounts Payable in entry A-8.
- b/ Amount of expenditures accrued in Entry A-8 applicable to continuing appropriations still available for encumbrance in the new fiscal year, plus the adjustment amount of any other encumbrances applicable to those appropriations that were liquidated in Entry A-8 but are valid encumbrances of the new fiscal year.
- c/ Amount of expenditures accrued in Entry A-8 applicable to continuing appropriations still available for encumbrance in the new fiscal year.
- d/ Amount of expenditures accrued in Entry A-8 applicable to appropriations no longer available for encumbrance in the new fiscal year but not yet reverted.

Source:

List of valid obligations supporting Entry A-8.

Explanation:

This entry reverses the accounts payable accrued in Entry A-8 so that: (1) expenditures from continuing appropriations may be recorded in the same manner as other current expenditures; and (2) expenditures from appropriations no longer available for encumbrance may be posted to the Prior-Year Appropriation Adjustments accounts on a claims filed basis without adjusting for each transaction wherein the amount paid differs from the amount accrued at June 30.

The amounts recorded in this entry also will be posted to the applicable Allotment-Expenditure Ledger accounts or Prior Year Appropriation Adjustments Ledger accounts.

SAM—STANDARD ENTRIES

ENTRY NO. A-9 (Revised 10/99)

10610

Nature of Transaction:

Revenue earned as of June 30 but not received is accrued.

Journal Entry for General Ledger Account:

Debit:

1600	Provision for Deferred Receivables	a/
------	------------------------------------	----

Credit:

3110	Due to Other Funds or Appropriations	c/
8000	Revenue	b/

a/ Amount required to adjust this account balance for the amount of revenue earned but not received as of June 30 for fully deferred receivables that are estimated to be collectible within the ensuing fiscal year.

b/ The amount of adjustment in "a" applicable to Revenue.

c/ The amount of adjustment in "a" applicable to Due to Other Funds or Appropriations.

Source:

Documents—Worksheet showing computations of amounts of accounts receivable that probably will **not** be collected during the ensuing fiscal year. See Explanation.

Explanation:

Throughout the fiscal year, some accounts have been maintained on a fully deferred basis. On June 30, revenue related to these accounts is accrued by adjusting the Provision for Deferred Receivables in the manner stated in "a". Revenue earned in this fiscal year is assumed to be collectible within the ensuing fiscal year unless information exists to the contrary. Therefore, a worksheet showing the computations of amounts of accounts receivable that probably will **not** be collected during the ensuing fiscal year will be prepared. This uncollectible amount will not be accrued as revenue. All other revenue earned in this fiscal year will be included in this entry.

This accrual entry is partially reversed as of July 1 (see Entry No. A-9R).

SAM—STANDARD ENTRIES

ENTRY NO. A-9R

10611

(Revised 2/99)

Nature of Transaction:

As of July 1 the previous fiscal year's revenue accruals are partially reversed.

Journal Entry for General Ledger Account:

Debit:

9892	Prior Year Revenue Adjustments	a/
------	--------------------------------	----

Credit:

1600	Provision for Deferred Receivables	a/
------	------------------------------------	----

a/ b + c in Entry A-9.

Source:

Same as Entry No. A-9.

Explanation:

Entry A-9 is partially reversed as of July 1 by this entry so that accounts receivable collections (except those related to abatements, non-deferred appropriation reimbursements, and certain deferred appropriation reimbursements) can be credited to a nominal account when received. (Nominal accounts will not be credited for collections of certain deferred appropriation reimbursements until they are ordered into the State Treasury.)

The Prior Year Revenue Adjustment Account is used to permit a comparison of revenue collected during the fiscal year following the date of Entry No. A-9 with amounts accrued in Entry A-9.

SAM—STANDARD ENTRIES

ENTRY NO. A-10
(Renumbered 5/95)

10612

Nature of Transaction:

Revenue accounts are adjusted for dishonored checks outstanding at June 30. (Except that revenue accounts are not adjusted for dishonored checks estimated to be collectible in the coming fiscal year.)

This entry is required as of June 30 only for those agencies that do not adjust their revenue accounts as dishonored checks are redeemed from banks. This entry is made as of June 30 and is not reversed as of July 1.

Journal Entry for General Ledger Accounts:

Debit:

3110	Due to Other Funds or Appropriations	a/
3410	Revenue Collected in Advance	b/
3420	Reimbursements Collected in Advance	c/
3730	Uncleared Collections	d/
8000	Revenue	e/
8100	Reimbursements	f/
9000	Appropriation Expenditures	g/
9891	Refunds to Reverted Appropriations	h/
9892	Prior Year Revenue Adjustments	i/
9893	Prior Year Appropriation Adjustments	j/

Credit:

1600 Provision for Deferred Receivables	k/
---	----

- a/ Amount of dishonored checks held by feeder funds on revenue items collected for other funds or appropriations where the items were not identified as being earned as of the preceding June 30.
- b/ Amount of dishonored checks on revenue collected in advance.
- c/ Amount of dishonored checks on reimbursements collected in advance.
- d/ Amount of dishonored checks on deferred reimbursement items that are still credited to uncleared collections pending their being ordered into the treasury.
- e/ Amount of dishonored checks on revenue items not identified as being earned as of the preceding June 30.
- f/ Amount of dishonored checks on deferred reimbursement items that have already been credited as reimbursements.
- g/ Amount of dishonored checks on current year abatements.
- h/ Amount of dishonored checks on refunds to reverted appropriations.
- i/ Amount of dishonored checks applicable to revenue (except reimbursements) which was identified as being earned as of the preceding June 30.
- j/ Amount of dishonored checks on deferred reimbursement items of prior fiscal year appropriations.
- k/ $a+b+c+d+e+f+g+h+i+j$

(Continued)

SAM—STANDARD ENTRIES

(Continued)

ENTRY NO. A-10 (Renumbered 5/95)

10612 (Cont. 1)

Source:

Analysis of dishonored checks purchased during the year which have not cleared as of June 30.

Explanation:

Dishonored checks usually are honored upon later presentation to a bank or they are substituted by other checks or legal tender within a short period of time. Therefore, the procedure of debiting the dishonored checks account at the time an agency buys back a dishonored check from a bank is a method whereby the agency does not have to adjust its accounts for each transaction of this type. Under such procedure, however, an adjustment is required at the close of the fiscal year. It is also necessary to make appropriate adjustments to the remittance of June receipts to the State Treasury. The latter adjustment is for the amounts remitted previously which remain outstanding as dishonored checks in agency accounts on June 30.

ENTRY NO. A-11 (Renumbered 5/95)

10613

Nature of Transaction:

Revenue accounts are adjusted for cash shortages outstanding at June 30. This entry is made as of June 30 and is semi-reversed as of July 1. In the semi-reversal all accounts debited in Entry No. A-2 are credited and all accounts credited in Entry No. A-2 are debited except where footnotes show otherwise.

Journal Entry for General Ledger Accounts:

Debit:

3110	Due to Other Funds or Appropriations	a/	1/
3410	Revenue Collected in Advance	b/	2/
3420	Reimbursements Collected in Advance	c/	3/
3730	Uncleared Collections	d/	
8000	Revenue *	e/	1/
8100	Reimbursements	f/	4/
9000	Appropriation Expenditures	g/	4/
9892	Prior Year Revenue Adjustments	h/	
9893	Prior Year Appropriation Adjustments	i/	5/

SAM—STANDARD ENTRIES

(Continued)

ENTRY NO. A-11

(Renumbered 5/95)

10613 (Cont. 1)

*NOTE: Account No. 8000, Revenue will be debited for all cash shortages that cannot clearly be attributed to abatement, reimbursement, or other identifiable revenue items.

Credit:

1600 Provision for Deferred Receivables j/

- a/ Amount of cash shortages on revenue items collected for other funds or appropriations where the items were not identified as being earned as of the preceding June 30.
- b/ Amount of cash shortages on revenue collected in advance.
- c/ Amount of cash shortages on reimbursements collected in advance.
- d/ Amount of cash shortages on deferred reimbursement items that are still credited to uncleared collections pending their being ordered into the treasury.
- e/ Amount of cash shortages on revenue items not identified as being earned as of the preceding June 30.
- f/ Amount of cash shortages on current-year reimbursement items that have already been credited to reimbursements.
- g/ Amount of cash shortages on abatements to current-year expenditure items.
- h/ Amount of cash shortages applicable to revenue (except appropriation reimbursements) which was identified as being earned as of the preceding June 30.
- i/ Amount of cash shortages on abatements and reimbursements of prior fiscal year appropriations.
- j/ Total amount of cash shortages outstanding at June 30. (Balance of Account No. 1316)

Source:

Analysis of accounts receivable for cash shortages as of June 30.

Explanation:

Agencies must adjust their revenue accounts for all cash shortages outstanding as of June 30, at the same time setting up a temporary reserve for these items. It is also necessary to make appropriate adjustments to the remittance of June receipts to the State Treasury. The latter adjustment is for the amounts remitted previously which remain outstanding as cash shortages in agency accounts on June 30.

Footnotes:

- 1/ Credit Prior-Year Revenue Adjustments in semi-reversal if the cashier's shortages relate to revenue identifiable on collection to the fiscal year in which it was earned.
- 2/ Credit Revenue or Due to Other Funds on Appropriations in semi-reversal.
- 3/ Credit Reimbursements in semi-reversal for amount applicable to current year appropriation.
- 4/ Credit Prior-Year Appropriation Adjustments in semi-reversal for amount applicable to appropriations no longer available for encumbrance.
- 5/ Credit Prior-Year Revenue Adjustments in semi-reversal for amount related to appropriation that reverted as of the June 30 date that Entry No. A-11 was made.

SAM—STANDARD ENTRIES

ENTRY NO. A-12 (Renumbered 5/95)

10614

Nature of Transaction:

Appropriation expenditure and reimbursement accounts are adjusted for billed abatement, reimbursement, and those non-revenue receivables, which had not been deferred to the amount that is estimated will be collectible during the ensuing fiscal year.

Journal Entry for General Ledger Account:

Debit:

8100	Reimbursements	a/
9000	Appropriation Expenditures	b/
9891	Refunds to Reverted Appropriations	c/
9893	Prior Year Appropriation Adjustments	d/

Credit:

1600	Provision for Deferred Receivables	e/
------	------------------------------------	----

- a/ Amount of billed Accounts Receivable—Reimbursement which will not be collectible within the ensuing fiscal year.
- b/ Amount of billed Accounts Receivable—Abatements which will not be collectible within the ensuing fiscal year.
- c/ Amount of billed Accounts Receivable credited to Account No. 9891, Refunds to Reverted Appropriations which will not be collectible within the ensuing fiscal year.
- d/ Amount of billed Accounts Receivable credited to Account No. 9893, Prior Year Appropriation Adjustments which will not be collectible within the ensuing fiscal year.
- e/ Total Accounts Receivable deferred (a + b + c + d).

Source:

Worksheet showing computation of amounts of billed accounts receivable that probably will not be collected during the ensuing fiscal year.

Explanation:

During the fiscal year, billed accounts receivable for abatements, reimbursements, and some non-revenue items have been generally credited back to an appropriation. At June 30, the amount credited will be adjusted for those accounts receivable that are deemed not collectible during the ensuing fiscal year.

These receivables will remain deferred and, upon their eventual collection, will be handled in the same manner as any other deferred receivable. See SAM Section 10507.

SAM—STANDARD ENTRIES

ENTRY NO. A-13
(Renumbered 5/95)

10615

Nature of Transaction:

Cash in State Treasury account balance (for funds not accounted entirely by one agency) is transferred to the Fund Balance—Clearing Account to facilitate the closing of nominal accounts at June 30.

Journal Entry for General Ledger Accounts:

Debit:

1140 Cash in State Treasury

Credit:

5570 Fund Balance—Clearing Account

Source:

Balance of Account No. 1140 at June 30. (In most cases, the account will have a credit balance. Should it have a debit balance, the above entry would be reversed.)

Explanation:

For funds that are not accounted entirely by one agency, Account No. 1140, Cash in State Treasury, does not show the cash balance in the State Treasury to the credit of a particular fund. Instead, Account No. 1140 shows the net agency remittances to (debit balance) or disbursements from (credit balance) the particular fund in State Treasury. By transferring the balance of Account No. 1140 and applying closing entries C-1 and C-2 to Account No. 5570, Fund Balance—Clearing Account, Account No. 5570 will show each agency's shared equity (net assets or liabilities) of particular funds in the State Treasury not accounted entirely by our agency.

SAM—STANDARD ENTRIES

ENTRY NO. C-1 (Renumbered 5/95)

10650

Nature of Transaction:

Revenue and reimbursements accounts of the fiscal year just ended are closed.

Journal Entry for General Ledger Accounts:

Debit:

8000	Revenue
8100	Reimbursements
9891	Refunds to Reverted Appropriations

Credit:

5530	Fund Balance—Unappropriated (For funds accounted entirely by one agency)
	(or)
5570	Fund Balance—Clearing Account (For funds not accounted entirely by one agency)
9892	Prior Year Income Adjustments (Assuming a debit balance in the account)

Source:

Final June 30 balances of revenue and reimbursements accounts.

Explanation:

Revenue and reimbursements accounts are closed in determining either the fund balance available for appropriation for funds accounted entirely by one agency or each agency's shared equity (net assets or liabilities) of particular funds in the State Treasury not accounted entirely by one agency.

ENTRY NO. C-2 (Renumbered 5/95)

10651

Nature of Transaction:

Appropriation expenditures accounts of the fiscal year just ended are closed.

Journal Entry For General Ledger Account:

Debit:

5530	Fund Balance—Unappropriated (For funds accounted entirely by one agency)
	(or)
5570	Fund Balance—Clearing Account (For funds not accounted entirely by one agency)

Credit:

9000	Appropriation Expenditures
9893	Prior Year Appropriation Adjustments (Assuming a debit balance in the account)

Source:

Final June 30 balances of appropriation expenditures accounts.

Explanation:

Appropriation expenditures accounts are closed in determining either the fund balance available for appropriation for funds accounted entirely by one agency or each agency's shared equity (net assets or liabilities) of particular funds in the State Treasury not accounted entirely by one agency.